

# NBRSS<sub>Today</sub>

Supporting Scientific Research through Business Solutions

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March, 2001

**“The old way was the right way to operate then, but new challenges require new solutions”- James O.B. Keener, Change Management Consultant**

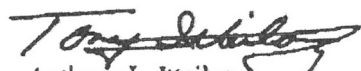


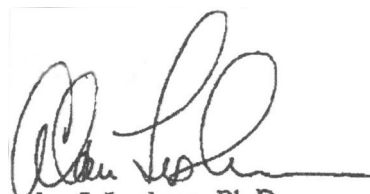
Anthony Itteilag  
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A key element for advancing biomedical research in the 21<sup>st</sup> century is an infrastructure that meets the needs of the scientific community and enables achievement of world-class performance. Although the Administrative Database (ADB) served the National Institutes of Health (NIH) needs superbly for the past two decades, the advent of new technology has prompted management to explore options for modernizing the conduct of administrative processes. After extensive research and evaluation, a decision was made to replace the ADB with a single, integrated transaction-based system – one that will link the NIH administrative and scientific support functions, including some that are not currently available through the ADB. We, the co-chairs of the Administrative Management Systems Steering Committee (AMSSC), are pleased as the NIH Business System (NBS) project enters its implementation phase. Successful implementation will require changes to the current way of doing business and active involvement of the NIH community. We encourage you to learn more about the NBS and your role in ensuring its success.

  
Anthony L. Itteilag

  
Alan I. Leshner, Ph.D.

Welcome to the inaugural edition of *NBS Today*. The purpose of this publication is to inform the NIH community about the progress of the NBS project.

### **What is the NIH Business System?**

The longstanding ADB will be replaced with integrated commercial software, known as Enterprise Resource Planning (ERP). The Oracle ERP software package chosen to configure the NBS will dynamically coordinate the core administrative functions of financial management, property, travel, service and supply fund, research and development contracts, and acquisition. In a fully integrated ERP system, data elements from each function reside in one database, and therefore, a single business transaction instantaneously updates data in all related functional areas. Successful implementation of the NBS will increase the efficiency and effectiveness of NIH business processes, and ultimately, enable better administrative support for the scientific mission.

### **News & Highlights:**

*Staffing Report* – Extensive NIH-wide effort has been put into creating a staff that is a balanced representation of the Institutes and the Office of the Director (OD), NIH. The staffing roster reflects positions and the respective incumbents that have been approved to date. The NBS project's core organizational structure is comprised of: a project management team to assist with general project oversight and implementation, including a change management team; functional work teams representing the core administrative functions to oversee implementation of respective functional

components; a technology team to advise and support the technical component of implementation; and a Systems Integrator to assist with the planning, design, and implementation of the NBS.

Integral to the project's organizational structure will be Functional Advisory Committees (FAC) and Resource Teams (RT). FAC membership will consist of leaders in the scientific and business communities to provide policy oversight as each functional component is implemented. RTs will include representatives to provide the functional teams with input, from the working level perspective. Nominations are being solicited for participation in these groups.

*Project Update and Future Directions* – Until recently, the NBS project focused on the feasibility of updating the ADB or choosing an administrative alternative to our existing system (Phase I). Phase I resulted in the selection of an ERP. With this phase now complete, the project has entered Phase II, system implementation.

Financial Management was the first functional work team established, since it is the first module scheduled for implementation. Other functional teams will be assembled in the near future, including property, travel, service and supply fund, research and development contracts, and acquisition.

On February 27, 2001, KPMG Consulting was awarded the System Integrator (SI) contract for the NBS project. KPMG will provide skilled staff to complement the NIH implementation team with their knowledge and experience. The strategy is to "pair-up" SI staff skilled in ERP

implementation, with members of the NIH community who are well versed in NIH policies and procedures.

### **Executive Corner:**

The Administrative Management Systems Steering Committee (AMSSC) provides oversight and guidance during the implementation phase of the NBS project. It is comprised of senior managers and scientists from the Office of the Director and NIH Institutes, as well as a representative from the Department of Health and Human Services. The AMSSC is charged with making policy decisions affecting administrative areas impacted by the implementation process; approving staffing nominations for the NBS functional work teams and advisory committees; monitoring costs and the implementation schedule; and tracking and evaluating project performance. Their most important task may be advocating the benefits of adopting new business practices and changes to the current way of doing business. The AMSSC generally meets biweekly.

### **Special Feature: ERP - The Future**

**Now...** To better manage its steadily increasing revenues, the U.S. Mint recently implemented an ERP system, which they refer to as Consolidated Information System (COINS). The Mint is the first Federal agency to fully implement an ERP project. The COINS project began in 1998 and has successfully rolled out the administration, production management, and marketing tools. This fiscal year, the Mint is planning to add human resource and

payroll modules to COINS. The Mint employed a phased implementation approach with COINS, just as the NIH will with the NBS. Because the Mint senior management decided up front to limit the number of software customizations and system interfaces, they were able to roll out their financial module at a rapid pace. The Mint was able to cash in quickly on the COINS project. As a result of enhanced reporting capabilities, customer service improved and sales increased. "In 1999, the Mint made a record \$2.4 billion in revenues and returned a record \$1 billion in profits to the U.S. Treasury General Fund. This year, the Mint will double its revenues and projects tripling its profits, returning nearly \$3 billion to the General Fund" (Press Release, US Mint, 8/24/00 and Government Computer News, 1/08/01).

**Lessons Learned by the Mint:** Inform and prepare users more than you think you should.

### **Change Management:**

"To exist is to change, to change is to mature, to mature is to go on creating oneself endlessly." - Henri Bergson

Change management (an integrated communications, training, workforce planning, and evaluation approach) helps managers, supervisors, and employees to transition effectively into a new way of working.

Included in the NBS project is a Change Management Team whose mission is to facilitate the smooth transition from current business processes to best practices employed in the NBS. This will

be achieved through communication and training activities.

*Communication* – The primary communication vehicles for disseminating NBS news to the NIH community will be newsletters and other publications, the Internet, and presentations to a variety of NIH audiences. The current website, *NBS Matters*, is currently being updated and will be maintained while a new site is under construction.

*Training and Workforce Planning* - As they begin working with the NBS, the staff leading each business area may think they have entered the Army. Why? “Boot Camp.” This term refers to intense and comprehensive financial training conducted by the Oracle Corporation. Instead of separate 1-week classes in general ledger, budget, and other finance areas, these subjects will be taught in an integrated three-week class tailored to NIH’s needs. The training will occur between late March and mid-May.

However, training doesn’t end with boot camp. Other software was purchased to augment the Oracle financial system and includes CompuSearch for Federal contracts; Gelco for travel; DataStream for tracking maintenance agreements and repair records; and BPA for inventory control. In conjunction with boot camp, the project team will attend this additional training in their respective areas of expertise. Also purchased are 50 Technology Based Training titles containing technical material that will facilitate preparation for boot camp, enhance classroom training for technical staff, and enable training at one’s convenience.

As the NBS project nears deployment, the training plan will be expanded to include the NIH end-user community.

**Questions/Feedback:** For information, comments, or questions about the NBS project or newsletter, contact Marina Gregory at [gregorym@od.nih.gov](mailto:gregorym@od.nih.gov). The next distribution of *NBS Today* will be mid-May.